

December 3, 2014

Jennifer Schembri Deputy Director, Office of Employee Relations City of San Jose 200 E. Santa Clara Street San Jose, CA 95113

Dear Jennifer,

Thank you for your letter dated November 18, 2014, wherein you respond to my Demand to Meet and Confer over the Flexible Spending Account Administrative Fees.

I'm requesting clarification of the following statements that you made in your letter:

- "{E}mployees have always been responsible for paying administrative fees for the FSA"
- "City employees elect to participate in voluntary benefits, including the FSA plan, they are responsible for the administrative fees for those benefits"
- "Because the FSA plan is a voluntary benefit, employees have always paid the administrative fees for the FSA"

I'm requesting that you please provide copies of any written agreements between L230 and the City or any other documents supporting, explaining or verifying the above statements. Additionally, would you please explain the basis for the City to believe that prospective imposition of these FSA administrative fees upon our Members is not subject to the meet and confer process?

As always, thank you for your assistance and Happy Holidays to you and your family.

Kind regards,

Christopher L. Murphy

SJFF L230 Employee Representative

C: Joel Phelan

Jose Guerrero

Christopher Platten Esq.

Chrismurphy